

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE MIDDLE DISTRICT OF TENNESSEE
COOKEVILLE DIVISION

IN RE:) BK NO 09-08974-KL2-11
TRI STAR ALUMINUM, L.P.,) Objections due 10/21/09
DEBTOR IN POSSESSION,) Hearing: 10/27/09 @ 9:00; Courtroom
) 2, 2nd floor, Customs House, 701
) Broadway, Nashville, TN 37203

AMENDED¹ U.S. TRUSTEE'S OBJECTIONS TO THE DISCLOSURE STATEMENT
AND PLAN

Pursuant to 11 U.S.C. §§ 307, the U.S. Trustee objects to the Debtors' Disclosure Statement and Plan for the following reasons:

1. The disclosure statement fails to provide any historical information with which to determine the feasibility of the future of the company in funding reorganization. No foundation has been provided for the *pro forma* budget which begins with January 2010. No summary information regarding income and expenses during the pendency of the bankruptcy case has been provided.
2. Class 8 interests are defined as the new equity ownership of the Debtor. The disclosure statement provides that a new entity will be created to hold the equity ownership and that the new equity will be owned by Joe Levanowicz (50 percent); Robert Gonzales (23.75 percent); Steve Curnutte (23.75 percent); and Will Eckstein (2.5 percent). No basis is provided for turning over the ownership to these folks. The disclosure

¹Amended to correct objection hearing date and location.

statement provides that the plan will be funded from operations of the business. Without more information, it appears the equity ownership is a mere gift to these people rather than in exchange for any meaningful compensation.

3. The disclosure statement provides for a \$4,000 raise to Mr. Levanowicz (in addition to the equity ownership) without any statement as to the basis for such raise; moreover, there is no disclosure as to the continued involvement of Mr. Gonzales or other persons who have been receiving payment for management services either by the debtor or the Debtor's management company.
4. The liquidation analysis which concludes that the unsecured creditors would receive nothing in a liquidation ignores the \$118,000 in cash in the accounts shown on the attachment to the disclosure statement/plan.
5. No disclosure has been made as to the estimated administrative expenses, including attorney, accountant, or U.S. Trustee fees has been made.
6. No disclosure has been made as to the actual or realizable value from the recovery of preferential or otherwise voidable transfers.

WHEREFORE, the U.S. Trustee requests that the approval of the plan and disclosure statement be denied and for such other relief as is appropriate.

Respectfully submitted,

RICHARD F. CLIPPARD
U. S. TRUSTEE, REGION 8

/s/ Beth Roberts Derrick

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CERTIFICATE OF SERVICE

It is hereby certified that on October 21, 2009, a true and correct copy of the foregoing has been sent via electronic mail to all registered users in this case and placed in the U.S. Mail, postage prepaid, addressed to the following:

Greg Dixon, President
BAKER, IRON & METAL
740 Rockcastle Avenue
Lexington, KY 40505

Jay Stutz, Vice-President
INTRAMETCO CORPORATION
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Mark Flanery, Vice President
BISHOP ENGINE & AUTOMATIC INC.
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Tri Star Aluminum Co., L.P.
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/s/ Beth Roberts Derrick
Beth Roberts Derrick

